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Honorable Judge Trish M Brown
Chapter 13

5 UNITED STATES BANKRUPTCY COURT
6 DISTRICT OF OREGON

7 In re:

8 Lee Sigler and
Karyn L. Sigler

10 Debtors.

Case No. 15-35182-tmb13

9 **OBJECTION TO CONFIRMATION
BY BANK OF AMERICA, N.A.,
THROUGH ITS SERVICING AGENT
WELLS FARGO BANK, N.A., ITS
SUCCESSORS IN INTEREST, AGENTS,
ASSIGNEES, AND /OR ASSIGNORS**

12 COMES NOW Bank of America, N.A., through its servicing agent Wells Fargo Bank, N.A., its
13 successors in interest, agents, assignees, and /or assignors, ("Creditor"), and objects to confirmation of
14 Lee Sigler and Karyn L. Sigler's ("Debtor" collectively hereafter) proposed Chapter 13 plan (the "Plan").

15 **I. BACKGROUND**

16 On or about November 7, 2006, Lee Sigler and Karyn L Sigler executed and delivered a note in
17 favor of Wells Fargo Bank, N.A. in the original principal amount of \$175,600.00. This Note was secured
18 by a Deed of Trust ('Deed') encumbering real property commonly described as 9900 SE Mill St., Portland,
OR 97216 ('Property'). Creditor is the holder of the note or services the note for the holder.

19 The outstanding principal balance due on the Note as of filing was approximately \$160,684.33. As
20 of the same date the loan was contractually due for the March 1, 2013 payment. Creditor is preparing and
21 finalizing a proof of claim which will contain exact amounts.

22 The pre-petition arrears, including payments, late charges, escrow advances and accrued fees and
23 costs are \$51,161.82 as will be detailed in Creditor's proof of claim.

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26 **II. AUTHORITY AND ARGUMENT**

1 Creditor asserts that Debtor's cure proposal of Creditor's \$51,161.82 pre-petition arrearage claim is
2 unreasonable. Pending sale or refinance by November 31, 2015, month 48 of the plan, Creditor will
3 receive approximately \$11,500 towards its substantial arrearage claim. The plan does not propose to
4 maintain ongoing payments.

5 Under 11 U.S.C. § 1322(b)(5), a debtor's plan must "provide for the curing of any default within a
6 reasonable time and maintenance of payments while the case is pending on any unsecured claim or secured
7 claim on which the last payment is due after the date on which the final payment under the plan is due."
8 The maturity date under the Note and Deed of Trust is December 1, 2036. Because December 1, 2036 is
9 beyond the term of Debtor's plan, 11 U.S.C. § 1322(b)(5) is applicable. That provision provides that
10 Debtors must not only make post-petition maintenance payments but must *also* cure the default within a
11 "reasonable time."

12 Under the terms of the proposed plan, the Debtor will pay approximately 22% on the loan arrearage
13 claim until the property is sold or refinanced in month 48 of the plan. This proposal is not reasonable.
14 Furthermore, if sale or refinance is not possible, the debtor will have only 12 months to cure the loan
15 arrearage. Cure of the loan arrearage will likely not be possible within that short period.

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25 Furthermore, sale or refinance may not be a viable option in this case. The debtors value the
26 property at \$215,000 in their schedules. The total debt owing to Creditor on the first lien is approximately

1 \$203,172. There is currently an insufficient equity cushion to pay closing costs or refinance to a
2 conventional mortgage. After no payments are made for 48 months there will be approximately \$40,974 of
3 additional interest accrual. Thus, sale or refinance without ongoing maintenance payments is not a viable
4 option.

5 WHEREFORE, Creditor respectfully requests the Court deny confirmation of the proposed Chapter
6 13 plan.

7 Chapter 13 plan. DATED December 7, 2015.

8 **RCO LEGAL, P.S.**
9 ATTORNEYS AT LAW
Attorneys for Creditor

10 /s/ Eric Marshack
11 By: Eric Marshack, OSB #050166
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1 The Honorable Judge Trish M Brown

2 UNITED STATES BANKRUPTCY COURT
3 DISTRICT OF OREGON

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5 Lee Sigler and
6 Karyn L. Sigler

Chapter 13 Bankruptcy

No.: 15-35182-tmb13

CERTIFICATE OF MAILING

7
8 Debtors.

9 CERTIFICATE OF MAILING

10 I hereby certify under penalty of perjury under the laws of the State of Oregon that I mailed a
11 true and correct copy of the Objection to Confirmation postage pre-paid, regular first class mail or
12 via Electronic Message through Electronic Case Filing on the 7th day of December, 2015, to the
13 parties listed on the attached exhibit.
14

15 DATED this 7th day of December, 2015.

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18 /s/ Tony Chhay
19 Assistant to Attorney
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